



## 2011 ASSEMBLY BILL 179

1     **AN ACT** *to amend* 66.1105 (4) (gm) 3., 66.1105 (4) (gm) 4. c., 66.1105 (4m) (a),  
2           66.1105 (4m) (ae), 66.1105 (4m) (b) 2., 66.1105 (6) (a) (intro.) and 66.1105 (10)  
3           (a); and *to create* 66.1105 (4m) (as), 66.1105 (6) (ag), 66.1105 (10) (d) and  
4           66.1105 (18) of the statutes; **relating to:** authorizing the creation of a  
5           multijurisdictional tax incremental financing district.

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*Analysis by the Legislative Reference Bureau*

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

6           **SECTION 1.** 66.1105 (4) (gm) 3. of the statutes is amended to read:  
7           66.1105 (4) (gm) 3. Assigns a name to the district for identification purposes.  
8           The first district created shall be known as "Tax Incremental District Number One,  
9           City of ...." and the first district created under sub. (18) shall be known as  
10          "Multijurisdictional District Number One, City of ...". Each subsequently created  
11          district shall be assigned the next consecutive number.

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1           **SECTION 2.** 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

2           66.1105 **(4)** (gm) 4. c. Except as provided in subs. (10) (c) ~~and~~, (17), and (18) (c)  
3           3., the equalized value of taxable property of the district plus the value increment of  
4           all existing districts does not exceed 12 percent of the total equalized value of taxable  
5           property within the city. In determining the equalized value of taxable property  
6           under this subd. 4. c., the department of revenue shall base its calculations on the  
7           most recent equalized value of taxable property of the district that is reported under  
8           s. 70.57 (1m) before the date on which the resolution under this paragraph is  
9           adopted. If the department of revenue determines that a local legislative body  
10          exceeds the 12 percent limit described in this subd. 4. c., the department shall notify  
11          the city of its noncompliance, in writing, not later than December 31 of the year in  
12          which the department receives the completed application or amendment forms  
13          described in sub. (5) (b).

14          **SECTION 3.** 66.1105 (4m) (a) of the statutes is amended to read:

15          66.1105 **(4m)** (a) Any city that seeks to create a tax incremental district, amend  
16          a project plan, or incur project costs as described in sub. (2) (f) 1. n. for an area that  
17          is outside of a district's boundaries, shall convene a temporary joint review board  
18          under this paragraph, or a standing joint review board under sub. (3) (g), to review  
19          the proposal. Except as provided in par. (am) and (as), and subject to par. (ae), the  
20          board shall consist of one representative chosen by the school district that has power  
21          to levy taxes on the property within the tax incremental district, one representative  
22          chosen by the technical college district that has power to levy taxes on the property  
23          within the tax incremental district, one representative chosen by the county that has  
24          power to levy taxes on the property within the tax incremental district, one  
25          representative chosen by the city, and one public member. If more than one school

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1 district, more than one union high school district, more than one elementary school  
2 district, more than one technical college district or more than one county has the  
3 power to levy taxes on the property within the tax incremental district, the unit in  
4 which is located property of the tax incremental district that has the greatest value  
5 shall choose that representative to the board. The public member and the board's  
6 chairperson shall be selected by a majority of the other board members before the  
7 public hearing under sub. (4) (a) or (h) 1. is held. All board members shall be  
8 appointed and the first board meeting held within 14 days after the notice is  
9 published under sub. (4) (a) or (h) 1. Additional meetings of the board shall be held  
10 upon the call of any member. The city that seeks to create the tax incremental  
11 district, amend its project plan, or make or incur an expenditure as described in sub.  
12 (2) (f) 1. n. for an area that is outside of a district's boundaries shall provide  
13 administrative support for the board. By majority vote, the board may disband  
14 following approval or rejection of the proposal, unless the board is a standing board  
15 that is created by the city under sub. (3) (g).

16 **SECTION 4.** 66.1105 (4m) (ae) of the statutes is amended to read:

17 66.1105 (**4m**) (ae) 1. A representative chosen by a school district under par. (a)  
18 ~~or~~, (am), or (as) shall be the president of the school board, or his or her designee. If  
19 the school board president appoints a designee, he or she shall give preference to the  
20 school district's finance director or another person with knowledge of local  
21 government finances.

22 2. The representative chosen by the county under par. (a) or (as) shall be the  
23 county executive or, if the county does not have a county executive, the chairperson  
24 of the county board, or the executive's or chairperson's designee. If the county  
25 executive or county board chairperson appoints a designee, he or she shall give

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1 preference to the county treasurer or another person with knowledge of local  
2 government finances.

3 3. The representative chosen by the city under par. (a) or (as) shall be the mayor,  
4 or city manager, or his or her designee. If the mayor or city manager appoints a  
5 designee, he or she shall give preference to the person in charge of administering the  
6 city's economic development programs, the city treasurer, or another person with  
7 knowledge of local government finances.

8 4. The representative chosen by the technical college district under par. (a) or  
9 (as) shall be the district's director or his or her designee. If the technical college  
10 district's director appoints a designee, he or she shall give preference to the district's  
11 chief financial officer or another person with knowledge of local government  
12 finances.

13 **SECTION 5.** 66.1105 (4m) (as) of the statutes is created to read:

14 66.1105 (4m) (as) With regard to a multijurisdictional tax incremental district  
15 created under this section, all of the following apply:

16 1. Each participating city may appoint one public member to the joint review  
17 board under par. (a).

18 2. If more than one school district, more than one union high school district,  
19 more than one elementary school district, more than one technical college district,  
20 or more than one county has the power to levy taxes on the property within the tax  
21 incremental district, each such jurisdiction may select a representative to the joint  
22 review board under par. (a), or 2 representatives as provided under par. (am), unless  
23 the jurisdiction's governing body opts out of this authority by adopting a resolution  
24 to that effect.

25 **SECTION 6.** 66.1105 (4m) (b) 2. of the statutes is amended to read:

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1           66.1105 **(4m)** (b) 2. Except as provided in subd. 2m., no tax incremental district  
2           may be created and no project plan may be amended unless the board approves the  
3           resolution adopted under sub. (4) (gm) or (h) 1. by a majority vote within 30 days after  
4           receiving the resolution. With regard to a multijurisdictional tax incremental  
5           district created under this section, each public member of a participating city must  
6           be part of the majority that votes for approval of the resolution or the district may  
7           not be created. The board may not approve the resolution under this subdivision  
8           unless the board's approval contains a positive assertion that, in its judgment, the  
9           development described in the documents the board has reviewed under subd. 1.  
10          would not occur without the creation of a tax incremental district. The board may  
11          not approve the resolution under this subdivision unless the board finds that, with  
12          regard to a tax incremental district that is proposed to be created by a city under sub.  
13          (17) (a), such a district would be the only existing district created under that  
14          subsection by that city.

15           **SECTION 7.** 66.1105 (6) (a) (intro.) of the statutes is amended to read:

16           66.1105 **(6)** (a) (intro.) If the joint review board approves the creation of the tax  
17          incremental district under sub. (4m), and subject to ~~par.~~ pars. (ae) and (ag), positive  
18          tax increments with respect to a tax incremental district are allocated to the city  
19          which created the district for each year commencing after the date when a project  
20          plan is adopted under sub. (4) (g). The department of revenue may not authorize  
21          allocation of tax increments until it determines from timely evidence submitted by  
22          the city that each of the procedures and documents required under sub. (4) (d) to (f)  
23          has been completed and all related notices given in a timely manner. The  
24          department of revenue may authorize allocation of tax increments for any tax  
25          incremental district only if the city clerk and assessor annually submit to the

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1 department all required information on or before the 2nd Monday in June. The facts  
2 supporting any document adopted or action taken to comply with sub. (4) (d) to (f) are  
3 not subject to review by the department of revenue under this paragraph. After the  
4 allocation of tax increments is authorized, the department of revenue shall annually  
5 authorize allocation of the tax increment to the city that created the district until the  
6 soonest of the following events:

7 **SECTION 8.** 66.1105 (6) (ag) of the statutes is created to read:

8 66.1105 (6) (ag) With regard to a multijurisdictional tax incremental district,  
9 the department of revenue may allocate positive tax increments to each participating  
10 city only to the extent that a city's component of the district has generated a positive  
11 value increment.

12 **SECTION 9.** 66.1105 (10) (a) of the statutes is amended to read:

13 66.1105 (10) (a) Subject to any agreement with bondholders, and except as  
14 provided in par. (d), a tax incremental district may be created, the boundaries of  
15 which overlap one or more existing districts, except that districts created as of the  
16 same date may not have overlapping boundaries.

17 **SECTION 10.** 66.1105 (10) (d) of the statutes is created to read:

18 66.1105 (10) (d) A proposed tax incremental district, the boundaries of which  
19 would overlap an existing multijurisdictional tax incremental district, may be  
20 created only if all of the following apply:

21 1. The creation is approved by a resolution adopted by the governing body of  
22 each of the multijurisdictional district's participating cities.

23 2. The creation is approved by a resolution adopted by the multijurisdictional  
24 district's joint review board.

25 **SECTION 11.** 66.1105 (18) of the statutes is created to read:

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1           66.1105 **(18)** MULTIJURISDICTIONAL DISTRICTS. (a) *Requirements.* Two or more  
2 cities may enter into an intergovernmental cooperation agreement under s. 66.0301  
3 to jointly create a multijurisdictional tax incremental district under this section if all  
4 of the following apply:

5           1. The district's borders contain territory in all of the cities that are a party to  
6 the agreement.

7           2. The district is contiguous.

8           3. At least one parcel in each participating city touches at least one parcel in  
9 at least one of the other cities.

10          (b) *Contents of an agreement.* The agreement described under par. (a) shall  
11 contain provisions that specify at least all of the following with regard to the proposed  
12 multijurisdictional tax incremental district:

13          1. A detailed description of how all of the participating cities will be able to  
14 exercise the powers authorized under sub. (3) and meet the requirements under sub.  
15 (4).

16          2. A detailed description of how determinations will be made that relate to  
17 incurring debt, expending funds for project costs, and distributing positive tax  
18 increments allocated by the department of revenue.

19          3. The extent to which one of the cities will be authorized by all of the other  
20 participating cities to act on behalf of all of the participating cities on some or all  
21 matters relating to the district.

22          4. A binding dispute resolution procedure to be used by the cities to resolve in  
23 a timely fashion any disputes between the participating cities related to the  
24 agreement or to the district. The dispute resolution procedure shall include a  
25 dissolution provision that allows all of the participating cities to agree to jointly

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1 dissolve the district at any time before a dispute is settled by the binding dispute  
2 resolution procedure and before the district would otherwise terminate under sub.  
3 (7). The dissolution provision shall describe in detail how and under what  
4 circumstances the district may be dissolved before it would otherwise terminate  
5 under sub. (7) and shall specify how the district's assets, liabilities, and any other  
6 outstanding obligations will be distributed among the participating cities.

7 5. A detailed description of the proposed membership of the joint review board.

8 6. A detailed description of the responsibilities of each city's planning  
9 commission, the membership and authority of the planning commission for the  
10 district, and the operating procedures to be followed by the district's planning  
11 commission.

12 7. A detailed description of the responsibilities of each city's clerk, treasurer,  
13 assessor, and any other officer or official to carry out the requirements of this section,  
14 and a detailed description of which clerk, treasurer, assessor, officer, or official will  
15 be responsible for each task specified in this section.

16 8. Which city will be the lead city for purposes of completing any documents or  
17 tasks that this section or the department of revenue require to be completed, which  
18 city will be responsible for submitting the district's creation documents, and which  
19 city will be responsible for submitting the district's project plan amendment  
20 documents.

21 9. That all of the participating cities agree that the district's application will  
22 be submitted in its entirety as one complete application by the lead city, as  
23 determined by the department of revenue.

24 10. Consistent with the requirements of sub. (7), a statement that the entire  
25 district will terminate at one time as a single entity and that the lead city shall

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1 submit to the department of revenue all necessary notices and reports relating to the  
2 termination of the district.

3 11. A detailed description of the procedures the participating cities will follow  
4 to determine all of the following:

5 a. Whether the district's life may be extended under sub. (6) (g) 1. or (7) (am)  
6 2. or 3.

7 b. How the project plan or boundaries of the district may be amended under  
8 sub. (4) (h) 1. or 2.

9 12. A description of how any annexation costs incurred by a participating city  
10 under s. 66.0219 (10) (a) 1. will be shared among all of the participating cities if the  
11 annexed territory is part of the district.

12 (c) *Limitations.* 1. Notwithstanding the provisions under sub. (6) (d), (dm), (e),  
13 or (f), a multijurisdictional tax incremental district may not become a donor district,  
14 or receive tax increments from a donor district.

15 2. Notwithstanding the provisions under sub. (2) (f) 1. k., m., and n., a  
16 multijurisdictional tax incremental district may not incur project costs for any area  
17 that is outside of the district's boundaries.

18 3. The 12 percent limit findings requirement under sub. (4) (gm) 4. c. apply on  
19 an aggregate basis to all cities that are part of a multijurisdictional district except,  
20 for one or more of the participating cities in the multijurisdictional district, the part  
21 of the district that is in an individual city may cause that city to exceed the 12 percent  
22 limit if the governing bodies of all the taxation districts that overlay that city adopt  
23 a resolution approving the creation of the district even though that city exceeds the  
24 12 percent limit.

25 4. No town may be part of a multijurisdictional tax incremental district.

